



2026/2027 Budget

Our Preliminary Review

Jamaica



1	<u>2026/27 Budget – A commentary</u>	03
2	<u>New revenue measures</u>	07
3	<u>New non-revenue measures</u>	15
4	<u>Other matters</u>	18
5	<u>Let's talk ...</u>	19

Contents

Jamaica: 2026/27 Budget – A commentary

12 February 2026 - Kingston, Jamaica

Following yesterday’s ceremonial opening of Parliament, the Honourable Fayval Williams, Minister of Finance and the Public Service, tabled the Government of Jamaica’s (GOJ) proposed Revenue and Expenditure Estimates and associated Revenue Measures for the 2026/2027 fiscal year.



Brian J. Denning
CARICOM Tax Leader

Minister Williams noted that it is important that Revenue and Expenditure Estimates, as well as how Government proposes to fund any shortfall should be tabled at the same time in the House of Representatives. Minister Williams further noted that although this is a requirement of the Financial Administration and Audit Act, it has not been done historically but was finally being implemented for good governance and to facilitate review by the Independent Fiscal Commissioner.

As highlighted in the table opposite, Estimates of Expenditure for 2026/2027 totaling **JMD1.441 trillion** alongside 2026/2027 Revenue Estimates of **JMD1.338 trillion** were tabled in Parliament today. This leaves a fiscal gap of **JMD103 billion** which will need to be funded.

Minister Williams tabled new Revenue Measures (outlined in more detail herein) which are estimated by the Ministry of Finance to generate additional revenues of **JMD29.639 billion** for 2026/2027. It is understood that the balance of the fiscal gap will to be funded by way of a loan.

Revenue & expenditure estimates	JMD Millions
2026-2027 Budget: Estimates of expenditure	
Recurrent Expenditure	1,342,041
Capital Expenditure	99,740
Recurrent + Capital Expenditure	1,441,781
2026-2027 Budget: Revenue estimates	
Tax Revenue	979,388
Non-Tax Revenue	97,338
Recurrent Revenue	1,076,726
Capital Revenue	7,214
Grants	6,826
Loan Receipts	247,149
Total Revenue & Loan Receipts	1,337,915

Data Source: Ministry of Finance & the Public Service

Hurricane Melissa

In the last ten consecutive Budget Presentations, the GOJ did not introduce any new taxes on a net basis. It was clear that today was going to be very different.

On 28 October 2025 Jamaica was hit by a monster Category 5 storm, Hurricane Melissa. The western part of Jamaica in particular was battered by sustained winds of over 185 mph as well as thirteen feet high storm surges in the worst affected coastal areas.

There was much loss of life and many thousands of people were left homeless or clinging to whatever shelter they could muster together from badly damaged homesteads.

Jamaica: 2026/27 Budget – A commentary

In her Presentation today, Minister Williams noted that the damage caused by Hurricane Melissa has been estimated at approximately USD 8.8 billion or 41% of Gross Domestic Product (GDP).

Meeting the moment

In spite of going through such a catastrophic event, Jamaica has demonstrated a level of economic resilience that is commendable. This economic resilience been built on a foundation of fiscal discipline and supported by the maintenance of strong Net International Reserves (NIR) combined with various catastrophe bonds/funds and contingent facilities which were put in place. The maintenance of positive ratings from international ratings agencies since the hurricane hit is an important sign that international investors recognise this resilience.

Recovery and relief efforts have been undertaken by Government with incredible support from the international community as well as international aid agencies and NGOs. The resilience and positive spirit of the Jamaican people has also played a critical role. From the diaspora organising charitable events and sending relief supplies to the massive local 'citizen army' that has loaded up cars regularly to travel westward on many missions of mercy is a true testament "*dat wi likkle but wi tallawah...*".

Much still needs to be done to help our most affected brothers and sisters rebuild their lives and livelihoods. This must be an ongoing effort. The fiscal health and wellbeing of the nation must also be protected and maintained. Where it is determined that some additional taxes are needed at this time, it is part of our civic duty to meet the moment and keep the country moving forward in the right direction.

No one likes to pay more taxes and there can be debates about individual revenue measures, but funding all of the fiscal shortfall with additional borrowings would be unwise. While the fiscal rules have been suspended in this time of natural disaster, we still must maintain as much fiscal prudence as possible and not drive borrowings back up.

Driving tax revenue growth

The reality is that it will take some time for many people and businesses across Western Jamaica to get back up and running. This means that the rest of the country will be called upon to play its part to drive economic activity in an effort to maintain steady tax inflows in the interim.

As a country we do not want to go back to annual fiscal shortfalls funded by new taxes every year. Equally we do not want an erosion of the hard-won gains from significantly bringing down our national debt and debt:GDP ratio. This means that if we want to drive tax revenue growth we must place renewed focus on:

1. Generating greater levels of investment and economic activity that in turn will contribute greater taxes to the Consolidated Fund;
2. Increasing tax compliance so that everyone bears their fair share rather than the burden falling on those who meet the moment and pay their taxes as part of their civic duty.

In light of the above, a few initiatives could be considered and fast-tracked for implementation:

Bring Business Back Home Initiative

Last year both Prime Minister Holness and Minister Williams indicated the GOJ's intention to develop initiatives to encourage taxpayers to bring home, to Jamaica, business activities (including associated business assets and employment) as well as investment holdings, that have been established in or transferred to other tax jurisdictions. This has not yet been implemented.

Where designed and implemented properly, this could bring in fresh economic activity that is currently taking place outside of Jamaica which in turn could bring additional tax revenues after such activities or investments migrate to Jamaica. This could also provide an opportunity to abolish Assets Tax which further acts as a deterrent to bring and hold assets in Jamaica.

Jamaica: 2026/27 Budget – A commentary

Urban renewal

The current urban renewal tax relief regime is set to expire this year. The only special designated area which is currently active is downtown Kingston.

The Prime Minister has signaled the GOJ's intent to overhaul and reform the current urban renewal tax regime and to extend it to a wider range of urban areas. It is suggested that this reform be developed and implemented as soon as possible as this could spur new investment and economic activity in blighted urban areas across the Island which in turn can generate new taxes both directly from that activity as well as through the economic multiplier effect. The reformed regime could also be extended on a temporary basis to disaster zones to help them to build back more quickly.

Enhancing compliance through technology

Consideration should be given to the use of various technological tools to bring the informal economy more within the tax net so that everyone pays their fair share of existing taxes before GOJ seeks to impose new or higher taxes in the future.

An example of this would be the use of electronic tax receipts which could be required by law to be used by businesses meeting certain criteria so that their revenues can be collated for tax purposes.

Consideration should also be given to using technological tools to be 'join up' data housed within various GOJ and agency systems so that delinquent taxpayers can be more easily identified.

Structured tax settlements

In order to encourage taxpayers to voluntarily come forward to settle outstanding tax matters and regularise their tax affairs, it is suggested that a voluntary structured tax settlement programme be developed and implemented.

Once taxpayers can regularise their tax affairs, they can maintain tax compliance going forward.



Jamaica: 2026/27 Budget – A commentary

Revenues: Historical performance & estimates (JMD millions)

	2022/23 Actual	2023/24 Actual	2024/25 Actual	2025/26 Original Estimate	2025/26 Prov. Actual Dec 2025	2025/26 Revised Estimate	2026/27 Estimate
RECURRENT REVENUE							
<i>Source: Data from Ministry of Finance & the Public Service</i>							
TAX REVENUE							
Customs	59,246	63,514	66,623	74,164	51,989	74,164	77,916
Income Tax	189,591	251,830	305,920	339,504	196,291	339,504	342,127
Transfer Tax/Stamp Duties	10,082	13,074	12,032	11,341	10,379	11,341	12,144
Motor Vehicle Licenses	5,132	5,892	5,459	5,461	4,068	5,461	5,278
Travel Tax	15,799	28,675	28,319	29,267	13,651	29,267	28,385
Betting, Gaming & Lotteries	8,024	9,662	8,454	10,933	6,743	9,489	10,036
Education Tax	36,700	48,119	55,488	55,162	6,439	55,162	55,771
General Consumption Tax	237,587	279,037	291,252	305,472	101,599	305,472	329,637
Special Consumption Tax	92,073	104,003	87,568	100,404	167,444	100,404	97,270
Environmental Levy	5,491	6,620	6,354	7,051	22,571	7,051	10,375
Guest Accommodation Room Tax	2,577	3,593	3,455	3,316	1,859	3,316	2,709
Other	9,234	10,277	8,008	7,419	43,547	8,863	7,740
TOTAL - TAX	671,536	824,296	878,932	949,494	626,580	949,494	979,388
NON-TAX REVENUE	65,399	65,228	181,409	139,816	140,272	139,816	97,338
TOTAL - RECURRENT	736,935	889,524	1,060,342	1,089,310	766,852	1,089,310	1,076,726
CAPITAL REVENUE	33,992	15,995	16,681	4,946	4,102	4,946	7,214
TOTAL RECURRENT & CAPITAL	770,927	905,519	1,077,023	1,094,256	770,954	1,094,256	1,083,940
GRANTS	11,368	7,875	5,320	6,773	3,282	6,773	6,826
LOAN RECEIPTS	124,130	139,472	252,800	158,442	123,209	158,442	247,149
TOTAL REVENUES AND LOAN RECEIPTS	906,425	1,052,866	1,335,143	1,259,471	897,444	1,259,471	1,337,915

New revenue measures

Summary of new revenue measures

The following revenue measures were tabled in Parliament today for the financial year 2026/2027:

Measure	Effective Date	Revenue Impact JMD Billion	
		2026/27	2027/2028
Application of General Consumption Tax to digital services and intangibles	4 th quarter of 2026/27	0.30	4.2
Imposition of Special Consumption Tax on non-alcoholic sweetened beverages	1 st quarter of 2026/27	10.1	-
Increase of Special Consumption Tax on Alcoholic Beverages	1 st May 2026	1.6	
Increase of Special Consumption Tax on Cigarettes	1 st May 2026	1.1	
Modification of Motor Vehicle Duty Concession for Public Officials	1 st May 2026	1.30	
Increase in Environmental Protection Levy (EPL)	1 st May 2026	3.639	
Increase in the GCT Rate on Tourism Activities to the Standard Rate of 15%	1 st April 2027	-	11.4
Continuation of Annual Transfer from the NHT to Central Government	5 years from 2026/27	11.4	-
GRAND TOTAL		29.439	15.6

On this basis the Government proposes to raise new taxes of JMD18.039 billion and JMD 15.6 billion in 2026/27 and 2027/28 respectively which will be supplemented by annual drawdowns of JMD 11.4 billion each year from the National Housing Trust.



New revenue measures

Imposition of General Consumption Tax (GCT) on digital services and intangibles

CT is currently imposed on the supply by a GCT registered taxpayer of goods and services within Jamaica. GCT is also imposed on the importation of goods and services.

Goods imported physically pass through a port of entry and are subjected to importation duties and charges (including GCT) by the Jamaica Customs Agency (JCA). In contrast, services imported do not have an equivalent ‘port of entry’. Rather, Jamaica operates an ‘imported services’ GCT regime and levies GCT on the local recipient of such services. This obligation does not however apply to small businesses operating below the JMD15 million annual GCT turnover threshold or to individuals importing services for personal use.

The Jamaican market is increasingly consuming and paying for digital services which are rendered by overseas service providers. These services may be accessed through the ‘cloud’ or represent media content streamed to digital devices. These services generate revenues (and profits) from Jamaica for these overseas service providers and are currently untaxed (whether income tax or GCT). In contrast if the same services were to be supplied by a local supplier, then they would be liable to GCT.

It is proposed to develop a mechanism to apply GCT to digital services rendered from outside of Jamaica that are consumed in Jamaica. Given the anticipated implementation time, it is proposed to implement this measure in the last quarter of 2026/27. It is anticipated to yield JMD300 million in 2026/27.

PwC’s commentary:

Given the increasing consumption of digital services, it is not unexpected that the Government is seeking to plug the gap in terms of its ability to collect some tax on these services. Although the mechanism proposed has not yet been indicated, we would expect it to involve an approach that can be administered centrally rather than having to assess and chase individuals to collect. It might therefore involve recovery from major overseas service providers under negotiated arrangements or through financial institutions upon making payment (e.g. via credit card) to such service providers.

Imposition of Special Consumption Tax (SCT) on non-alcoholic sweetened beverages

Non-alcoholic sweetened beverages (NASBs) imported or manufactured locally will be subject to Special Consumption Tax. The SCT will be applied on carbonated and non-carbonated beverages on a per unit basis, at a rate of JMD 0.02 per milli-litre (ML). The estimated retail impact of this measure is illustrated in the table below:

Item	GCT (current)	SCT (new) JMD
300 ml beverage	15%	6.00
600 ml beverage	15%	12.00
2 litre beverage	15%	40.00

The measure is slated to take effect during the first quarter of the fiscal year 2026/2027 and is estimated to raise JMD 10.1 billion in additional revenue.

PwC’s commentary:

The introduction of the SCT on the importation and manufacture of NASBs is aimed at addressing the prevalence of health issues associated with the excessive consumption of sugar, while also raising revenue to fund the fiscal shortfall following the passage of Hurricane Melissa. The Minister stated that non-communicable diseases stemming from unhealthy lifestyles has led to an increase in obesity and diabetes, with excessive sugar consumption highlighted as a key factor.

The impact that this measure and the price point for local manufacturers will need to be modeled along with the proposed changes to the Environmental Protection Levy (EPL).

There is no question as to the effects of an unhealthy diet on the Jamaican population. To the extent that this measure seeks to drive a change in consumption behaviour, consideration could be given to applying a lower SCT rate on beverages below a certain sugar content (or excluding unsweetened beverages (i.e. with no added sugar) and applying a higher rate to those above that threshold. This would incentivise manufacturers and importers to decrease the manufacture/importation of beverages with a higher sugar content, while still raising revenue.

New revenue measures

Increase in Special Consumption Tax (SCT) on alcoholic beverages and cigarettes

It is proposed to increase the specific rate of Special Consumption Tax (SCT) on alcoholic beverages and cigarettes to the amounts highlighted in the table below. These increases are programmed to take effect from **1 May 2026**. The Ministry of Finance estimates that these SCT increases will generate revenues of JMD1.6 billion and JMD1.1 billion respectively in 2026/27.

	Specific SCT Tax Base	Current Rate JMD	Proposed Rate JMD
Alcoholic Beverages	Per Litre of Pure Alcohol (LPA)	1,230	1,400
Cigarettes	Per Cigarette Stick	17	20

PwC's commentary:

This represents a recalibration of the specific SCT rate (which is levied on the tax base at a fixed JMD amount). This rate was last increased in March 2017. Given the need for additional taxes to fund the 2026/27 Budget, these 'sin' taxes would have been seen as a less contentious option especially since they have not been adjusted for nine years.

By way of illustration a 341 ml bottle of beer containing 4.7% ABV currently attracts specific SCT of JMD 9.71. This will increase by JMD2.73 to JMD22.44. A one-litre bottle of say overproof rum (63% ABV) currently attracts specific SCT of JMD774.90. This will increase by JMD107.10 to JMD882. By imposing tax on LPA, a greater tax burden is imposed on higher strength alcoholic drinks which have greater public health implications.

A packet of 20 cigarettes currently attracts specific SCT of JMD340. This will increase by JMD60 to JMD400.



New revenue measures

Modification of the “20% Duty Concession” on motor vehicles for public officials

Under current tax rules, a person who is employed in the public sector in certain employment categories is entitled to a “20% Duty Concession” in respect of the importation of a motor vehicle by him/her (up to a prescribed CIF value) and under specified terms and conditions.

The concession currently offers a reduced rate of customs duty of 20% as well as an exemption from both SCT and GCT on the importation of the motor vehicle.

With effect from 1 May 2026, it is proposed to remove the GCT exemption (i.e. re-impose GCT thereon) but retain the customs duty concession and SCT exemption). The Ministry estimates this will generate revenues of JMD1.3 billion in 2026/27.

PwC’s commentary:

Historically this concession was granted to public officials to reduce the cost of motor vehicle ownership in a climate where the Government also asked public officials to forgo annual wage increases due to fiscal challenges.

There is less justification today to maintain such a preference in light of a significant upward benchmarking of public sector pay to market rates.

Increase in the Environmental Protection Levy (EPL) Rate and expansion of domestic tax base

The Environmental Protection Levy is imposed on the importation of goods in Jamaica and on the sale of locally manufactured goods. It is proposed that the EPL be increased from the current rate of 0.5% to 0.8% on imports and locally manufactured goods.

Further, the base for the calculation of the EPL on locally manufactured goods will be increased from 75% to 100% of the sales value of the goods. This would remove the 25% adjustment currently made by local manufacturers in computing their EPL liability.

It is anticipated that the measure will result in additional revenue of JMD3.369 billion and it will take effect on 1 May 2026.

PwC’s commentary:

Although the EPL may suggest that it is earmarked for environmental protection or that it is imposed in a manner that penalises environmentally irresponsible behaviour, the fact is that it does neither – it accrues to the Consolidated Fund like any other tax and it is levied on all goods without any environmental rationale.

The extension of EPL to local manufacturers some years ago served to regularise the imposition of EPL on imports in light of Jamaica’s WTO obligations. It is unclear why manufacturers would be targeted for an increase their EPL tax base on locally manufactured goods.

Given the significant negative consequences of detrimental environmental practices and the fact that such externalities are often not properly priced in economically, consideration could be given to identifying opportunities to levy environmental taxation using the ‘polluter pays principle’ in order to drive more positive environmental behaviour.

These funds could then be earmarked to support environmental and climate resilience initiatives.

New revenue measures

Increase in General Consumption Tax (GCT) on tourism activities

Under current law, the standard rate of GCT is 15% while a reduced rate of 10% is imposed on tourism activities consisting of supplying the services of:

- a) a hotel;
 - b) a resort cottage;
 - c) a site and other facilities for camping;
 - d) tourist accommodation not specified in paragraph (a),(b) or (c);
 - e) water sports;
 - f) an attraction;
 - g) a tour operator,
- pursuant to a licence issued under the Tourist Board Act.

The Revenue Measures tabled note that “*having regard to the Government’s revenue needs over the medium term*”, it is proposed to increase the GCT rate on tourism activities from 10% to the standard rate of 15% with effect from **1 April 2027**.

It is estimated by the Ministry that this GCT rate increase will yield JMD 11.4 billion in 2027/28. Minister Williams noted in her Budget Presentation that the tourism sector is still working to recover from the impact of Hurricane Melissa and would have already sold rooms for 2026/27 so it would not be equitable to implement the proposed increase before April 2027.

PwC’s commentary:

The level of tax to be borne the tourism sector has been a source of much debate between the Government and the industry for many years due to competing perspectives. The tourism industry asserts that it is a key export sector and foreign exchange earner for the Island, it generates significant employment and provides backward linkage opportunities for the agricultural and manufacturing sectors.

From the Government’s perspective, it recognises the importance of the sector but also the need to generate taxes to fund public services and capital infrastructure for the benefit of both the country as a whole as well as to enhance the country’s tourism product.

Under GCT law, the export of goods or services from Jamaica is zero-rated for GCT purposes. This is in line with international VAT practice. It is based on the principle that the price of exports ought not be encumbered with local VAT to enable them to compete more effectively on the international market against goods or services provided from other countries.

GCT is a tax imposed on consumption. This places tourism in an unusual position. While it clearly has export characteristics including that it earns foreign exchange from customers outside of Jamaica and competes with other destinations on the international market, it is not considered as an “*exported service*” under GCT law as the consumption of the service takes place in Jamaica. The reduced GCT rate has therefore attempted to partially recognise the export nature of tourism.

Ultimately, the key question to be asked is whether increasing the GCT rate from 10% to 15% will impair the competitiveness of Jamaica’s tourism product relative to its principal competitor destinations.

This would require a systematic benchmarking of the overall tax burden imposed on the tourism sectors in each selected jurisdiction – remember that GCT/VAT is just one tax imposed.

A tourist coming to Jamaica is subjected to multiple taxes including GCT, Guest Accommodation Room Tax (GART), Travel Tax (and airport fees) as well as indirectly subject to other taxes/fees (that feed into a hotel’s cost structure and ultimately pricing to the guest).

Where the Government increases the GCT rate to the standard rate, consideration could be given to developing some form of credit or rebate mechanism (subject to compliance within international trade obligations) which encourages backward linkages to Jamaica’s agricultural and manufacturing sectors.

New revenue measures

Continuation of annual transfer from National Housing Trust (NHT) to central Government

The Minister announced the continuation of an annual drawdown transfer of JMD 11.4 billion from the National Housing Trust (NHT) to central government to fund the budget. Fiscal distributions from the fund were set to expire at the end of 2025/2026 but will be extended by five years until 2030/2031.

PwC's commentary:

The primary mandate of the NHT is to assist contributors in building, buying or repairing homes through low-interest loans and by funding housing developments.

Employed and self-employed contributors as well as employers make contributions to the National Housing Trust on the understanding that these monies will be used to pursue this mandate.

Where GOJ draws down such large amounts annually from the NHT in order to meet its central government funding, it deprives the NHT of access to these resources and in turn the NHT is destined to be heavily impaired in its ability to pursue its primary mandate and meet its obligations to contributors. Contributors in turn suffer. Employer contributions are non-refundable so they ultimately become another form of taxation where these monies are extracted from the NHT.

Given the urgent need for affordable housing solutions across Jamaica including loan financing to assist contributors in repair/reconstruction after Hurricane Melissa, it is important that GOJ does not continually “raid di barn” and rely on monies paid in by contributors to the NHT as a regular source of budget funding.



New revenue measures

Exemption - Hurricane Melissa recovery payments

A Bill was tabled in Parliament to introduce an exemption from income tax for payments by employers to employees for personal recovery and welfare due to damage or loss from the effects of Hurricane Melissa. The exemption applies amounts not exceeding an aggregate JMD 200,000 paid by an employer to an employee between November 1, 2025 and March 31, 2026. The bill indicates that the recovery payments shall be treated as an allowable deduction by participating employers.

In a News Release, TAJ clarified that the qualifying payments must be made in cash and will not attract PAYE, Education Tax, National Insurance Scheme (NIS), National Housing Trust (NHT) deductions or employer contributions. Gifts in kind made to employees as support for Hurricane Melissa recovery efforts shall be subject to the applicable taxes.

PwC's commentary

The tax-free relief for the Hurricane Melissa recovery payments will be welcomed by the business community, which has played a critical role in supporting employees and the wider community after the devastation of Hurricane Melissa.

Participating employers should ensure that payments exceeding the allowance of JMD 200,000 are subject to income tax and that other applicable statutory payments are accounted for in respect of same. Unfortunately, benefits in kind, which were well received by affected employees are not deemed to qualify for the exemption by TAJ.

Highlights:

Exemption granted for Hurricane Melissa recovery payments made by employers to employees, up to JMD 200,000.

Gifts in kind provided by employers are subject to income tax at the applicable rates.



New revenue measures

Proposed update to Property Valuation Roll

Property tax is imposed annually on the owner by reference to the unimproved value of land. This is determined by a Property Valuation Roll which is developed and maintained by the Land Valuation Department.

The current Valuation Roll being used was prepared in 2013 and is now out of date. Minister Williams indicated that an exercise is being undertaken (which will take about 12 months) to update of the Property Valuation Roll.

This should be completed for 2027/2028 whereafter property tax assessments will be significantly impacted as a result of the Roll update.

Minister Williams did not give any indication of any plan to increase rates. As a result, the property tax rates illustrated in the table opposite should still apply.

PwC's commentary:

Property taxes generally accrue to the account of local government. Upon completion of the new Valuation Roll, significant increases in property tax can be expected.

Property taxes – Applicable rates

Property Tax is currently imposed based on the 2013 Property Valuation Roll by reference to the rates highlighted in the table below.

Unimproved Value of Property	Rate of Property Tax		
	Tax Rate	Cumulative Position: Property Value JMD	Cumulative Position: Tax JMD
JMD			
On the first 400,000 of value	\$1,000	400,000	1,000
On the next 400,000 of value	0.50%	800,000	3,000
On the next 700,000 of value	0.55	1,500,000	6,850
On the next 1,500,000 of value	0.60%	3,000,000	15,850
On the next 1,500,000 of value	0.65%	4,500,000	25,600
On the next 2,500,000 of value	0.70%	7,000,000	43,100
On the next 5,000,000 of value	0.75%	12,000,000	80,600
On the next 18,000,000 of value	0.80%	30,000,000	224,600
On any amounts exceeding 30,000,000 of value	0.90%	Excess	-

New non-revenue measures

Corporate Income Tax – Change to filing date

The Income Tax Act and Assets Tax Act were amended by a Bill of Parliament to reflect a new filing date of 15 April, applicable to specified corporate bodies, as follows:

Tax Type	Affected Taxpayers	Old Filing Date	New Filing Date
Corporate Income Tax	Companies	15 March	15 April
Asset Tax	Regulated Financial Institutions	1 September	15 April

The tax filing deadline for Corporate Income Tax (CIT) returns to be submitted to Tax Administration Jamaica (TAJ) was changed from 15 March to 15 April, effective from year of assessment 2025 onwards. The bill also aligned the payment deadline for CIT to 15 April. Therefore, CIT returns and any final CIT return payment for year of assessment 2025 will be due on 15 April 2026.

It should be noted that the due date for the submission of the Estimated Tax Returns for corporate taxpayers has not been changed and estimated returns and related 1st quarter estimated payments are still due on 15 March 2026.

The income tax filing and payment deadline for individuals remains at 15 March.



Highlights:

Filing of Corporate Income Tax returns for Y/A 2025 and onwards due on 15 April. Estimated returns and payment still due on 15 March.

Changes not applicable to unincorporated bodies, individuals or partnerships.

New non-revenue measures

Corporate Income Tax – Change to tax filing date (cont.)

PwC's commentary:

The proposed change to the tax filing deadline to 15 April was initially announced by former Minister of Finance Nigel Clarke in his 2021/2022 budget presentation.

This change to the corporate income tax filing and payment dates for CIT is a welcome initiative that the business community has anticipated for some time. It will grant some more time for corporate taxpayers to finalise tax numbers. From the Government's perspective, it will provide greater certainty over tax revenues as they will be paid shortly after the start of a financial year (1 April) rather than at the end of a financial year (31 March).

We welcome this initiative and encourage future consideration for aligning the extension of the tax filing deadline to include unincorporated bodies and individuals.

The dual filing deadlines may place additional administrative and compliance burdens on these taxpayers, the companies that they are associated with, and add to the administrative burden of Revenue authorities.

Asset Tax – Change to tax filing date

The Bill amended the filing and payment deadline for the Assets Tax payable by Financial Institutions regulated by the Bank of Jamaica (BOJ) and Financial Services Commission (FSC).

The filing and payment deadline is changed from 1 September to 15 April.

PwC's commentary:

The Asset Tax was previously repealed for unregulated companies, however regulated financial institutions are still required to account for and pay the assets tax. In the 2025/2026 budget presentation, the Minister Williams indicated that the Asset Tax regime would be revisited, following consultation with the financial sector.

The announced movement of the filing and payment deadlines appears to align with the previously announced initiatives to enhance the regulatory, fiscal and business framework by addressing the issue of multiple filing deadlines for various taxes. We anticipate that further alignment of filing deadlines will be addressed in due course for other tax types.

Other matters

Accelerated Capital Allowances – ITA provisions & TAJ update

The Income Tax Act (ITA) was amended to grant accelerated allowances, on a temporary basis for taxpayer’s incurring qualifying expenditure from 1 January 2025 to 31 December 2026. TAJ also issued a technical advisory clarifying technical aspects of the newly introduced regime and hosted a webinar to discuss same. It was noted that:

- Capital expenditure incurred from 1 January 2025 to 31 December 2026, on assets that are brought in to use in the respective years of assessment qualify for accelerated capital allowances.
- Specified assets that do not qualify for accelerated allowances include motor vehicles, intangibles and older types of office equipment (e.g., typewriters).
- Qualifying expenditure on furniture and fixtures and other plant and equipment should benefit from the accelerated allowances.
- Expenditure incurred on the construction and renovation of buildings qualify for initial allowances; including those afforded under the accelerated regime. However, expenditure incurred on the *purchase* of industrial buildings do not qualify for initial allowances unless certain criteria are met.

PwC’s commentary

The Accelerated Capital Allowance regime is an important initiative, particularly for taxpayers affected by the devastation of Hurricane Melissa who will need support to rebuild and retool. Taxpayers should ensure that the guidelines for claiming the accelerated allowances are consistently applied, to avoid future challenges by the Revenue Authorities, particularly in respect of expenditure incurred prior to 1 January 2025.

Industrial Buildings	Initial Allowance Year 1	Initial Allowance year 2	Annual Allowance
Concrete Buildings	30%	25%	5.5%
Inorganic Materials e.g zinc	30%	25%	20%
Organic Materials e.g. wood	30%	25%	20%
Non-Industrial Buildings	Initial Allowance Year 1	Initial Allowance Year 2	Annual Allowance
Concrete Buildings	12%	8%	5%
Inorganic Materials e.g zinc	30%	20%	20%
Organic Materials e.g. wood	36.5%	24%	20%
Plant & Machinery	Initial Allowance		Annual Allowance
Machinery – manufacture of primary products	40%		25%
Computer Equipment	40%		33.33%
Other plant & Machinery	20%		25%

Other matters

Income Tax Threshold

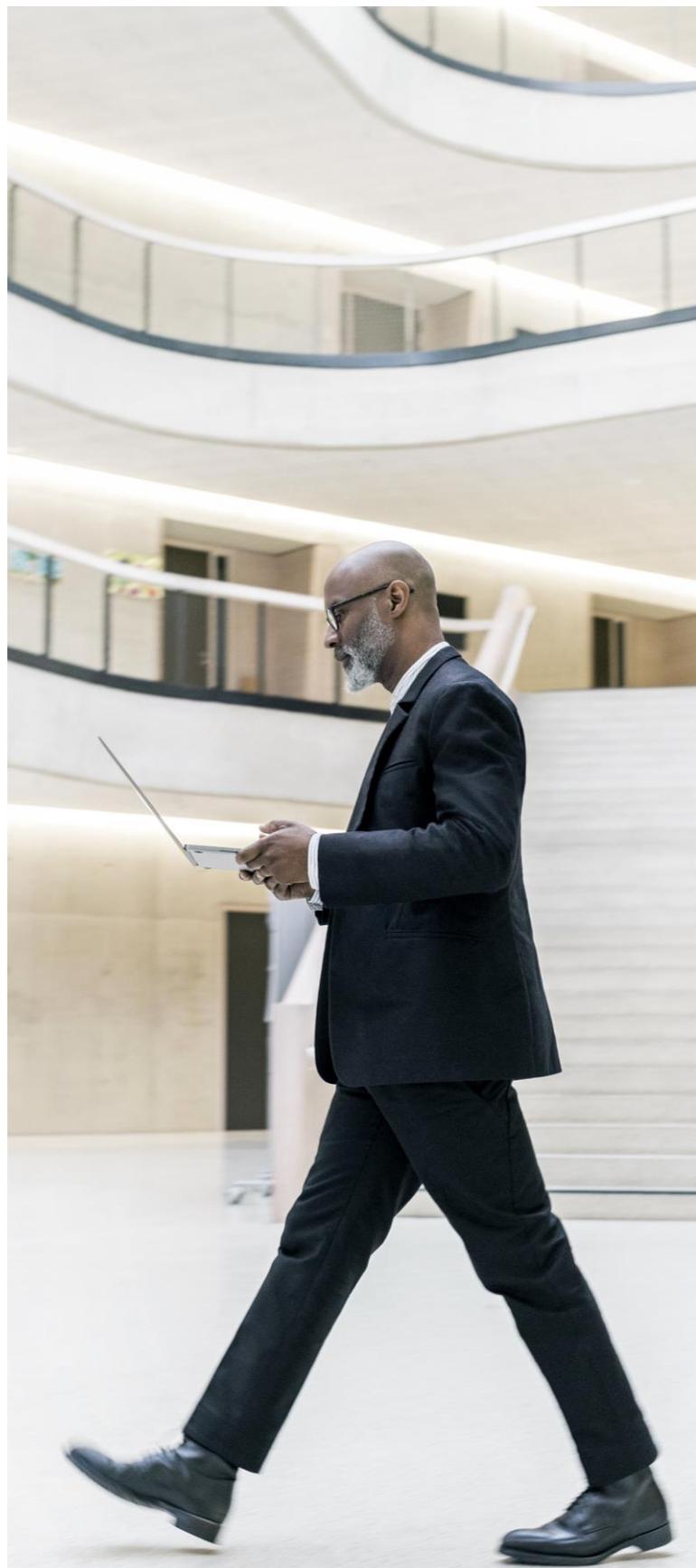
It was noted by Minister Williams that the previously announced Personal Income Tax (PIT) Threshold to be increased to JMD2M over a three-year period shall remain in effect. The threshold was last increased to JMD1.799m in April 2025.

Fiscal year	Tax Threshold	Revenue Loss	Effective date
Current	\$1,799,376	\$4.8 billion	1 April 2025
2026/27	\$1,902,360	\$4.73 billion	1 April 2026
2027/28	\$2,003,496	\$4.44 billion	1 April 2027

PwC’s commentary:

With an anticipated loss in revenue of JMD\$4.73 billion, the increase in the PIT threshold is a popular but expensive measure.

Minister Williams noted in her budget presentation the commitment of the government to maintain the increase in the PIT threshold by announcing that the proposed increase slated for 1 April 2026 is still be in effect.



Let's talk ...



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To evaluate how the **Jamaica: 2026/27 Budget** may impact your business operations or to seek guidance on any tax matter, please reach out to one of our Tax Team or your usual PwC contact.

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